

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**

House Bill 1453 (Delegate C. Mitchell, *et al.*)  
Commerce and Government Matters

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**Vehicle Laws - Special Organizational Registration Plates - Abolition**

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This bill repeals the authorization of the Motor Vehicle Administration (MVA) to issue special organizational plates.

At least 30 days before the end of the registration period of the vehicle, the MVA is required to notify each vehicle owner who has been issued special organizational registration plates before July 1, 1997 that the plates must be returned to the MVA by the end of the registration period. Upon the return of the plates, the MVA must issue to the owner replacement registration plates.

The bill is effective July 1, 1997.

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**Fiscal Summary**

**State Effect:** Transportation Trust Fund expenditures would increase by \$198,300 in FY 1998 and FY 1999 due to the biennial registration process. Potential indeterminate increase in computer programming costs as discussed below. Revenues would not be affected.

(in dollars)	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
SF Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditures	198,300	198,300	0	0	0
Net Effect	(\$198,300)	(\$198,300)	\$0	\$0	\$0

*Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds*

**Local Effect:** None.

**Small Business Effect:** None. The bill would not directly affect small businesses.

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## Fiscal Analysis

**Background:** There are 357 organizations that have been issued approximately 130,000 organizational plates. The MVA currently collects a one-time fee of \$12 for each organizational plate issued without a logo and \$15 for a plate with a logo. These fees are cost recovery for the MVA.

**State Expenditures:** Under the bill, vehicle owners that have been issued the organizational plates must be issued standard plates. The additional cost is \$3.05 per set of standard plates. Thus, Transportation Trust Fund expenditures could increase by \$396,500 for the issuance of standard plates. The increase in expenditures would occur in the first two years after the bill's effective date because vehicles are registered and new plates are issued every two years.

The MVA advises that computer programming expenditures could increase by an estimated \$13,700 to modify the computer programs as proposed in this legislation. The Department of Fiscal Services (DFS) advises that if other legislation is passed requiring computer reprogramming changes, economies of scale could be realized. This would reduce computer programming costs associated with this bill and other legislation affecting the MVA system. Further, DFS advises that the increased computer expenditure is simply an estimate and the MVA may be able to handle the changes with either less money than it estimates or existing resources.

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**Information Source(s):** Department of Transportation (Motor Vehicle Administration),  
Department of Fiscal Services

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